

**WILLMAR CITY COUNCIL PROCEEDINGS**  
**COUNCIL CHAMBERS**  
**WILLMAR MUNICIPAL UTILITIES BUILDING**  
**WILLMAR, MINNESOTA**

7:00 p.m.  
February 3, 2003

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Lester Heitke. Members present on a roll call were Mayor Heitke, Council Members Doug Reese, Ron Christianson, Bruce DeBlieck, Denis Anderson, Nancy Houlahan, Rick Fagerlie, Jim Dokken, and David Chapin; Present 9, Absent 0.

Also present were City Administrator Michael Schmit, Police Chief Jim Kulset, Fire Chief Marv Calvin, Public Works Director Mel Odens, Finance Director Steven Okins, Planning and Development Services Director Bruce Peterson, Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

Proposed additions to the agenda included Mayoral committee appointments.

Council Member Christianson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of January 22, Municipal Utilities Commission Minutes of January 13 and 27, Planning Commission Minutes of January 22, 2003; Kandiyohi Area Transit Board Minutes of November 26, and Police Commission Minutes of December 30, 2002; Kandiyohi Area Transit Board Minutes of January 8 and 21, and Senior Citizens Council Minutes of January 8, 2003. Council Member DeBlieck seconded the motion, which carried.

Mayor Heitke recognized Fred Cogelow who had signed up to address the City Council during its scheduled Open Forum regarding snowmobile racing at the Fairgrounds.

The Labor Relations Committee Report for January 23, 2003, was presented to the Mayor and Council by Council Member Houlahan. There was one item for Council consideration.

Item No. 1 The meeting was closed, and the Committee met with Mr. Frank Madden to review strategies for upcoming contract discussions with various bargaining units. This matter was for information only.

The Labor Relations Committee Report for January 23, 2003, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Houlahan, seconded by Council Member Anderson, and carried.

The Finance Committee Report for January 27, 2003, was presented to the Mayor and Council by Council Member Anderson. There were six items for Council consideration.

Item No. 1 Janet Vanderdriessche and Carol Hruby, representing Bremer Trust, were present to review with the Committee the 2002 Annual Report of the Cushman Rice Trust. Ms. Vanderdriessche and Ms. Hruby reviewed a summary of income cash activities, investment objectives, a summary of account activity, asset allocation and historical performance and concluded with market outlook observations.

The Committee was recommending to the Council that a revised Statement of Investment Policy and Observations be approved as presented. Generally speaking the revisions are intended to achieve an 8 to 9 percent 10-year average return net of trustee and investment expenses. Council Member Anderson moved to approve the recommendation of the Finance Committee, with Council Member Fagerlie seconding the motion, which carried.

Item No. 2 The Committee met with representatives of the Kandiyohi County Historical Society to review a structures report regarding the Sperry House. Kandiyohi County Historical Society President Boyd Beccue and Executive Director Mona Nelson briefly reviewed the history of the Sperry House and discussed a number of options with regard to future ownership and restoration plans. It was the consensus of the group that a decision would need to be made at a future date regarding the City's continued involvement with the ownership and maintenance of the Sperry House; and in the meantime, the Historical Society would solicit estimates for roof repair. It was noted that \$20,000 had been appropriated in the City's 2003 budget but that total restoration of the facility would require additional funding. This matter was for information only.

Item No. 3 Staff presented to the Committee proposed amendments to the Ordinance setting the rate schedule for users of the Waste Treatment Plant. It was noted the proposed increase of 6.35 percent was consistent with the previously adopted facilities plan. The Committee was recommending to the Council that the proposed Ordinance be introduced for a hearing on February 18, 2003. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Houlahan seconding the motion, which carried.

Item No. 4 Staff advised the Committee that discussions were underway with Rice Memorial Hospital to implement a new agreement regarding Rice's Intergovernmental Transfer to the City's general fund. The previous five-year agreement was based in part on the Hospital's market value and the City's tax capacity rates for police and fire protection and road maintenance. Payments ranged from \$125,000 in 1998 to \$103,000 in 2002. The Hospital has proposed a new five-year agreement starting at \$105,000 with annual increases of \$5,000. It was the consensus of the Committee that staff should continue its negotiations with Rice Hospital in an effort to increase the payment. This matter was for information only.

Item No. 5 The Committee briefly discussed the issue of the State's budget deficit and any impact on the City as a result of cuts in Local Government Aid. Staff reviewed steps that are being taken to better position the City in the event of significant cuts and identified other local resources that can be considered including cuts in services, tax increases, use of reserves, equipment notes, delayed or reduced capital expenditures, etc. The Committee will call for a more detailed discussion when it becomes clearer what the Governor and Legislature are proposing. This matter was for information only.

Item No. 6 The Committee reviewed November Rice Hospital, December 2002 investments/cash balances, fourth quarter investment activities and 2002 interest earnings reports.

The Finance Committee Report for January 27, 2003, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Anderson, seconded by Council Member Fagerlie, and carried.

The Public Works/Safety Committee Report of January 28, 2003, was presented to the Mayor and Council by Council Member Reese. There were seven items for Council consideration.

Item No. 1 Several representatives of local liquor establishments appeared before the Committee to address the recently adopted liquor ordinance pertaining to sales and servers' licensing. Ken Warzecha of Cashwise Liquor expressed concern of the severity of the penalty for first-time offenders. A three-year suspension could cost some individuals their career and suggested a thirty-day suspension.

Following discussion, the Committee was recommending to the Council to refer to staff for consideration the proposed thirty-day suspension for the initial penalty and present any amendments back to Committee. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Christianson seconding the motion, which carried.

Item No. 2 Individuals representing BNSF Railroad, the Brotherhood of Locomotive Engineering and the United Transportation Union appeared before the Committee to discuss remote-controlled train engines. After receiving information from all three organizations relating to issues such as safety and operating practices, it was the consensus of the Committee that more information was needed prior to considering any action. Mr. Ruby of BNSF Railroad offered to return at a future meeting with a demonstration video and remote control unit. All organizations present would be invited to return for further discussion. This matter was for information only.

Item No. 3 Stan Simon of Engan and Associates was present to discuss with the Committee bids received January 21, 2003, for installation of an air conditioning system at the WEAC building. The bids received were much higher than expected and budgeted for. The low bid of \$126,900 was \$46,000 more than budgeted.

Staff will be in contact with the School District to research any possible grant monies to assist in funding the improvement. At this time no action will be taken, and this matter was for information only.

Item No. 4 The Committee reviewed the Improvement Report for the 2003 Projects, including reconstruction, mill and overlay, new construction, and miscellaneous projects. Staff briefly reviewed the streets to be reconstructed and the miscellaneous items proposed. The total estimated cost for improvements is \$3,288,249 with the City's share being approximately \$2 million, which will include state aid funds.

The Committee was recommending to the Council approval of the Preliminary Report for the 2003 Improvements and order an Improvement Hearing for February 18, 2003. Resolution No. 1 was introduced by Council Member Reese, seconded by Council Member DeBlieck, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0, Council Member Christianson abstained from voting.

#### RESOLUTION NO. 1

#### RECEIVING PRELIMINARY REPORT AND CALLING PUBLIC HEARING ON YEAR 2003 IMPROVEMENT PROJECTS

#### WHEREAS:

1. The City Council deems it necessary and expedient that the City of Willmar, Minnesota, construct certain improvements to-wit: grading, gravel base, bituminous paving, curb

and gutter, sidewalk, street lighting, sanitary sewer, storm sewer, water main, sump pump drain tile, and service lines in the City as described in and in accordance with the preliminary plans and report prepared by the City Engineer.

2. The Council has been advised by the City Engineer that said Year 2003 Improvement Projects contained in the Preliminary Report are feasible and should best be made as proposed, and the City Engineer's report to this effect has heretofore been received by the Council, and filed with the Clerk-Treasurer; and

3. The statute provides that no such improvements shall be made until the Council shall have held a public hearing on such improvements following mailed notice and two publications thereof in the official newspaper stating time and place of the hearing, the general nature of the improvement, the estimated costs thereof and the area proposed to be assessed, in accordance with the law;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, as follows:

1. A public hearing will be held at the time and place set forth in the Notice of Hearing hereto attached to consider said proposed improvements.

2. The nature of the improvements, the estimated cost of each major portion thereof, and the areas proposed to be assessed therefore are described in the form of Notice of Hearing hereto attached.

3. The notice of said public hearing shall be in substantially the form contained in the notice hereto attached.

4. The Clerk-Treasurer is hereby authorized and directed to cause notice of said hearing to be given two publications in the official newspaper. Said publications shall be one week apart, and at least three days shall elapse between the last publication and the hearing. Not less than ten days before the hearing the Clerk-Treasurer shall mail notice of the hearing to the owner of each parcel of land within the area proposed to be assessed as described in the notice. For the purpose of giving such mailed notice, owners shall be those shown to be such on the records of the County Auditor or, if the tax statements in the County are mailed by the County Treasurer, on the records of the County Treasurer. As to properties not listed on the records of the County Auditor or the County Treasurer, the Clerk-Treasurer shall ascertain such ownership by any practicable means and give mailed notice to such owners.

Dated this 3<sup>rd</sup> day of February, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 5 The Committee received a draft assessment policy with the necessary language changes that reflect assessing for street reconstruction only and the development of a

sewer and water utility replacement fee. The proposed amount of the fee is \$2.00 a month for each water meter. This places this year's estimated street assessment at \$42/foot using the 75/25 split.

Staff asked the Committee to review the assessment policy to ensure its proper development. Further recommendations pertaining to service line hookups and development a more equitable way to deal with assessments to corner lots will be added to the policy before its adoption. This matter was for information only.

Item No. 6 The Committee reviewed correspondence relating to the City's participation with the Coalition of Greater Minnesota Cities in a voluntary contribution to the Environmental Legal Defense Fund. Staff recommends joining in the effort in the amount of \$5,524. The Federal Clean Water Act requires states through the MPCA office to submit a list of waters that do not meet state water quality standards. States are then required to develop plans to get those impaired waters into compliance. The issue is that the MPCA arbitrarily developed the impaired water list without reliable data. If the rules are passed, it could potentially require very costly upgrades to our waste treatment facility. Funds are available in the 2002 Wastewater Treatment Operating Budget for the City's share of the Defense Fund.

The Committee was recommending to the Council to participate by contributing \$5,524 as proposed. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Houlahan seconding the motion, which carried.

Item No. 7 The Committee discussed a request for support by resolution of the Highway 23 Corridor specifically the Paynesville bypass. Showing this support may accelerate commitment of funding from State and Federal legislators for this portion of the project.

The Committee was recommending that the Council pass a resolution supporting the completion of the Highway 23 Corridor and construction of the Paynesville bypass. Resolution No. 2 was introduced by Council Member Reese, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0, Council Member DeBlieck abstained from voting.

## RESOLUTION NO. 2

WHEREAS, Minnesota State Highway 23 from Willmar to St. Cloud is an interregional corridor connecting southwest and west central Minnesota economically to the rest of the State of Minnesota; and

WHEREAS, Minnesota State Highway 23 from Willmar to St. Cloud is an important economic development corridor that is currently the focal point for economic growth for West Central Minnesota.

WHEREAS, improving the travel time on the Highway 23 corridor is a key element to sustaining and expanding that economic growth in West Central Minnesota; and

WHEREAS, improving Highway 23 in the Paynesville area will contribute significantly to improving the Highway 23 corridor travel time for all users of the Highway 23 corridor;

NOW, THEREFORE, BE IT RESOLVED, the City of Willmar fully supports the funding and construction of the Paynesville bypass as a transportation investment priority for the State of Minnesota;

BE IT FURTHER RESOLVED, the City of Willmar will work with the cities, counties and businesses along the Highway 23 corridor to help secure support from State and Federal legislators in making the Paynesville bypass a priority for the State of Minnesota.

Dated this 3<sup>rd</sup> day of February, 2003.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

The Public Works/Safety Committee Report for January 28, 2003, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Reese, seconded by Council Member Christianson, and carried.

The Community Development Committee Report for January 30, 2003, was presented to the Mayor and Council by Council Member DeBlieck. There were two items for Council consideration.

Item No. 1 Stephanie Myogeto from the Willmar Lakes Area Convention and Visitors Bureau and Mike Jacobsen from the World Snowmobile Racing Association, appeared before the Committee to request permission to conduct snowmobile races at the fairgrounds on March 1 and 2, 2003. These races would substitute for the races that were scheduled in January, but had to be cancelled due to lack of snow. The proposed races would run from 10:00 a.m. to 4:00 p.m. on Saturday and Sunday, and no sleds would be allowed to be running for practice before 8:00 a.m.

The Committee discussed noise issues, including that from the snow-making equipment used at the fairgrounds. Mike Jacobsen said they would not have to make additional snow for the March races and stated that decibel readings were taken around the fairgrounds when the snow making equipment was running. Those results were presented to the Committee.

Fred Cogelow objected to more racing at the fairgrounds. Denny Baker spoke in support of the Fair Boards desire to increase utilization of the fairgrounds.

The Committee was recommending to the Council to allow the snowmobile racing event as requested on March 1 and 2, 2003.

The Mayor recognized Mike Jacobsen who informed the Council that participation at races held on January 31 and February 1, 2003, was better than expected. Fred Cogelow expressed concerns for the viability of the northside as a result of increased racing noise. Council Member Anderson addressed the P.A. system, volume or direction and requested an improved system to be in place for the next race.

Following discussion, Council Member DeBlieck moved to approve the recommendation of the Community Development allowing the snowmobile racing event as requested. Council Member Fagerlie seconded the motion, which carried.

Item No. 2 The Committee reviewed the following project/Department updates: Airport land acquisition, Airport funding, The Home Depot project, Menard's project, East Highway 12 development, First Street redevelopment, contact from a large retailer, miscellaneous industrial projects, and Housing projects. This matter was for information only.

The Community Development Committee Report for January 30, 2003, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member

DeBlieck, seconded by Council Member Fagerlie, and carried.

Planning and Development Services Director Peterson presented to the Mayor and Council for consideration a final plat of The Home Depot Addition. The Home Depot Addition is a two-lot plat that includes the easterly extension of 28<sup>th</sup> Avenue Southeast and is the site of the proposed Home Depot project. It was noted the Planning Commission has approved of the final plat. Council Member Reese moved to approve The Home Depot Addition final plat with Council Member DeBlieck seconding the motion, which carried.

The Mayor and Council discussed the second meeting in February which falls on Presidents' Day. Council Member Reese moved to reschedule the second meeting to February 18, 2003. Council Member DeBlieck seconded the motion, which carried.

Mayor Heitke presented to the Council for consideration the following appointments: Rice Hospital Board – Wayne Larson, and Municipal Utilities Commission – Lon Chappel. Council Member DeBlieck moved to approve the appointments as presented with Council Member Chapin seconding the motion, which carried.

Announcements for Council Committee meeting dates were as follows: Public Works/Safety, February 11; and Community Development, February 19, 2003.

There being no further business to come before the Council, the meeting adjourned at 8:00 p.m. upon motion by Council Member DeBlieck, seconded by Council Member Houlahan, and carried.

Attest:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
SECRETARY TO THE COUNCIL